



National Church Residences

June 13, 2003

I am Tom Herlihy, Development Specialist for National Church Residences (NCR). NCR is one of the nation's largest not-for-profit sponsors and managers of affordable housing for seniors, including over 15,000 federally assisted housing units located in 25 states. I am pleased to represent the views of NCR and the American Association of Homes and Services for the Aging (AAHSA), of whom we are a member. AAHSA is the largest organization representing nonprofit sponsors of senior housing. Our members own and manage more than 300,000 units of federally assisted and market rate housing – and we represent the largest number of sponsors of HUD Section 202 Supportive Housing for the Elderly projects.

NCR currently has eleven 202 projects in development, pre-Initial Closing, in South Carolina, Ohio, Pennsylvania, New Jersey, Texas and Arizona and three projects under construction in states including Kansas, Ohio and New Jersey.

HUD's Section 202 program addresses the specific and existing problem of a lack of affordable housing for very low income seniors who may also need access to some basic supportive services. The construction of almost 5700 units each year of such housing under the Section 202 program assists at least this many very low income seniors with securing supportive, safe, affordable and decent housing. The level of access to coordinated, supportive services in the Section 202 program is not found in any other Federal, state, local or private effort. Given the size of the program (building 5700 supportive and affordable units each year), the program is certainly unparalleled.

Section 202 funding applicants must demonstrate their property's proximity to medical facilities, transportation, shopping and other necessary services for intended occupants. They must also demonstrate the extent to which their property designs will meet the special physical needs of seniors, the extent to which the property will accommodate the provision of supportive services, how their proposed supportive services will meet the identified needs of anticipated residents, etc. No other program, not to mention a program of this size, must meet these thresholds with regard to housing seniors.

A HUD-funded Arthur Andersen report identified several areas where the Section 202 development pipeline could be improved. Among the reasons identified in this 2001 report were: competency deficiencies and inadequate number of staff at the HUD program centers handling Section 202 applications; problems with site control and other site issues; inadequate funding; and, inexperienced non-profits. Along with AAHSA, NCR is committed to the continual improvement of the Section 202 program.



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